

BOARD POLICY	
SUBJECT	Economic Development Incentive Funds
POLICY NUMBER	BP99-16
ORIGINAL EFFECTIVE DATE	January 20, 1999
REVISION DATE	
HISTORICAL REFERENCE	

Purpose: To provide the County Administrator guidelines for funding economic development incentives.

Background:

1. Board of Supervisors' Economic Development Fund: In FY97, the Board of Supervisors established an Economic Development Fund of \$500,000. The budgets approved in FY98 and FY99 also included \$500,000 for the Fund. In addition, \$135,000 of the FY96 excess of revenues over expenditures was added to the Fund. These funds are designated for large economic development projects and incentives.
2. Industrial Development Authority's Capital Fund: The Capital Fund was established in 1988 as a result of profitable land sale that netted the IDA over \$800,000. The Capital Fund ~~is was~~ designated for small infrastructure extensions, engineering/consultant studies, and small incentives. The Capital Fund also help~~eds~~ sustain the IDA's Marketing Budget through interest income earnings.
3. With the creation of the Office of Economic Development in FY01, the Board and the IDA determined it would be appropriate to set the target amount for the Board of Supervisor's Economic Development Fund at \$1,500,000 and to provide for the balance in the IDA Capital Fund to be established at a level deemed appropriate by the Board of Supervisors as part of the annual Budget adoption process. The intended use of the IDA Capital Fund will continue to be to support small infrastructure extensions, engineering and consulting studies, and small incentives.

Procedures:

1. The County Administrator, within budget constraints, shall strive to maintain \$1, ~~500,000~~ in the Board's Economic Development Fund ~~and \$500,000 in the IDA's Capital Fund.~~
2. The County Administrator shall direct an amount equal to the first tax dollars or increase in tax dollars received from an economic development project that received an incentive ~~back into the Economic Development Fund to the fund (Board's Economic Development Fund or Authority's Capital Fund) that provided the incentive. However, should the IDA's Capital Fund reach \$500,000, all additional revenues will be placed in the Board's Economic Development Fund.~~
3. ~~Annual appropriations for economic development incentive funds shall be allocated two-thirds to the Board of Supervisors and one-third to the Industrial Development Authority. However, once the IDA's fund reaches \$500,000, any additional funds shall be placed in the Board's Economic Development Fund.~~



